The A. F. of L. Weekly News Service gives prompt publication to official interpretations of matters affecting labor executive in the federal, territorial, and judicial fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

Acceptance for mailing at special rate of postage provided for in Sec. 1103, Act of October 3, 1917, authorized July 31, 1918. Entered as second-class matter October 6, 1932, at the Post Office at Washington, D. C., under the Act of August 24, 1912.

Write Your Senators And Congressmen to Repeal T-H Law

WHOLE NO. 2001 | WILLIAM GREEN, *President* | WASHINGTON, D. C., TUESDAY, AUGUST 16, 1949 | GEORGE MEANY, *Secretary-Treasurer* | VOL. 39, NO. 33

LABOR DAY MESSAGE

By MATTHEW WOLL

Vice President, American Federation of Labor

In our present day life, which apparently puts greater emphasis on power over things than the human factor and ability in creating things, Labor Day serves as an interlude for regaining perspective and for restoring values so that we may return to the problem of living in security and of being conscious of the dignity of labor.

While anxious to solve technical problems of production, it is of equal, if not greater, importance to solve the social problems—of seeing that productive labor is justly paid; that the work of our hands is used to advance the welfare of all and that in the many emergencies and adversities of life the worry and the anxieties are amply and economically provided for.

Fourteen years have now passed since the enactment of the first Social Security law in the United States. While this program is in many respects inadequate to meet the security needs of American workers, it has established the practicability of the method of contributory social insurance as a means of providing against the risks of dependency and loss of income by the family breadwinner and unemployment.

Under this program more than two and a half million persons are now receiving monthly retirement and survivors' benefits aggregating over 50 million dollars monthly. While the total is impressive, the individual benefits have failed to keep pace with rising living costs. The average primary benefit for a retired worker and his wife is still about $26.50 per month. Two out of every 3 jobs in the United States will remain without protection against dependent old age.

The trend of Congressional enactment during the last several years has been toward a liberalizing of grants to states for public assistance and "relief." While the need of people who for one reason or another cannot acquire protection under the social insurance program is unquestioned, the draft toward liberalizing the relief benefits at the cost of the immense program is disquieting.

The current rise in the number of unemployed presents the first serious test of our federal-state unemployment compensation program. There are currently being paid about $150,000,000 per month to approximately 3,000,000 unemployed. In the entire year of 1948, only a little over half (1,700,000) were eligible for benefits averaging $13.50 a week.

It is evident from the foregoing that our social security program needs substantial broadening, both in extent of coverage and adequacy of benefits in addition to the development of a broad health program. It is equally evident pending enactment of all-inclusive legislation that temporary emergency measures and methods of social security are essential and are to be favored.

The need for war ground grain insurance is paramount and the early study and strengthened concern in questions relating to industrial welfare funds, particularly amongst wage earners, is a healthy sign. It is clear and apparent that increasing recognition is given to the importance of what is formally termed, "the human factor" in industry and the necessity of safeguarding into the effect on health and working efficiency of the social relations in industrial and other activities.

An increasing number of employers are recorded in active collaboration with trade unions in planning, providing and administering welfare amenities of one kind or another, coupled with a growing awareness of the importance of welfare services from the standpoint of improving industrial relations and increased productivity.

Workers themselves are coming to lay increasing stress on welfare amenities and their demands are increasingly expressed in collective bargaining agreements for welfare funds to be welfare plans of one kind or another. It is now an accepted function of the trade unions to promote the development of welfare funds and of the schemes with management are themselves responsible for the institution and administration of the welfare funds.

Worker's welfare programs have had a remarkable growth and development, unquestionably these welfare plans have an increasing degree of importance both in the life of workers and in the extension of trade union collective bargaining and the improvement of conditions.

More recently, legislation has been enacted in several states designed to provide insurance to wage earners to cover loss of earnings during periods of disability due to illness or injury suffered off the job. Four states now pay unemployment benefits in cases of temporary disability. Such a law goes into effect in New York state on July 1 of next year. It applies to every employer of 4 or more employees. This law and legislation similar in that direction emphasize the increasing importance that is being manifested in welfare plans and welfare funds and the subject which will bear increasing attention and consideration.

It seems but yesterday that our trade unions confided their negotiations and collective trade agreements with management to wages, hours, working conditions and in providing machinery for the settlement of disputes, grievances arising during the life of the agreement. To negotiate and bargain for welfare funds or to provide for the establishment of pension funds for hospitalization, medical and surgical benefits seemed foreign to trade union embracement. Slowly yet surely, trade unions have turned to these objectives. Today, it is a topic of discussion and a subject of negotiation in a constantly increasing number of trade union agreements.

For a time it was generally believed that provisions relating to welfare funds instituted in the Taft-Hartley law would discourage, frustrate, if not end this tendency and remove welfare funds from the realm of collective bargaining. The contrary proved to be the outcome. While it is unlawful under the Taft-Hartley law for an employer or a group of employers or associations of employers to pay any moneys to the fund of a trade union or any of its officers, it does not prohibit trade unions from paying any moneys to a welfare fund set up for which to provide the various forms of protective insurance so essential for the well-being of the workers.

The sole requirement of the Taft-Hartley law is that such joint funds or funds controlled by or supported by joint contributions of both the employers and the union.

Since employers to set an arrangement of this kind contribute to such a welfare fund and plan, it is but fair, equitable and just that they be given a proper voice and representation in the administration of such funds and plans thus assuring both parties of the fairness and justice of the joint undertaking as well as safeguarding the welfare of the workers and the enterprise. In addition, such a joint arrangement is essentially predicated upon mutual confidence and good-will and will, undoubtedly, result in more and better industrial relations and understandings and enhance continued industrial peace and progress.

What is equally important is the fact that by the provisions of the Taft-Hartley law, all contributions made by the employers to the welfare funds of the trade unions are now accorded the opportunity as well as the right to inquire into and demand evidence that the principle of equitable coverage or contracts heretofore provided and administered solely through the employers regardless of whether such contracts were union or non-union. Unfortunately, and altogether too often, such group insurance plans, administered solely by management to the detriment of the welfare and interests of the wage earners involved.

By reason of the provision in the Taft-Hartley law, the decisions of the National Labor Relations Board and, more recently, by the decision of the United States Court of Appeals for the District of Columbia in the Inland Steel case, increasing emphasis has been given to this whole question of worker's welfare plans contributed jointly by employers and employees. Undoubtedly, these welfare plans will have an increasing degree of importance both in the life of the workers and in the extension of union collective bargaining processes.

Welfare plans may in general be divided into several groups, each distinct and separate from the other. In general, they may be classified into 3 groups. First, those plans which are established solely and exclusively by the union and to which the employer makes no contribution, has no vote or voice. The second group includes welfare plans established and administered covering in the main the employees and in which the employer may pay the full premium in which the employer may contribute a small amount. Usually, the employee has little if any control whatever of these plans. The third group includes welfare plans established through the medium of association of employers and trade unions covering the trade union employes of all the employers in the trade or industry and by contributions of both contributing.

It is in this third group in which our trade unions are primarily concerned at this time. It is to this field that our collective bargaining processes call for new thinking, new approaches and new principles applicable to insurance and benefit funds. It is in this beneficial and social security development that our trade unions officers and members are called upon to represent the trade union and their members in planning, negotiating and in administering welfare programs.

Skilful guidance is essential in order to develop such plans as will best meet the requirements of each particular trade and calling and as will be most beneficially designed to further the interest of the trade unions and members concerned. It is also important that the interest of the beneficiaries are fully protected.

National and international trade unions as well as local unions, their officers and representatives are well advised to give this subject careful and thoughtful consideration. Undoubtedly, they will be called on more and more for enlightenment and guidance on this subject. Indeed, they might well take a leading interest in this new phase of trade union activity not only to preserve and advance the best interests of their members, but in order that their members may participate fully in this new field of social security opened to the workers.

When the American Federation of Labor, over 22 years past, recommended

For Labor Day Editions:

Harriman Hails Role of American Labor; Appeals For Continued Support of ERP

By W. AVERELL HARRIMAN
U. S. Special Representative in Europe, ECA

In greeting the American workers on this 1949 Labor Day, I bring them a tuneful message from the other side of the Atlantic.

First, it is a word of deep and earnest thanks. You have been a hearty share of America's aid to European recovery. You should know that your help is bringing returns.

Eighteen months ago the tide of despair threatened to destroy the very foundations of peace, self-government and freedom in Europe. Today this tide has been turned. Your aid has replaced hopelessness with confidence. It has helped the fragility of western European nations to get out together on the road to forward economic self-reliance and self-help.

European workers are working hard to make the Recovery Program a success. They are doing it because American labor has backed the program to the hilt. Your support of the Marshall Plan has given the workers of Europe the strongest assurance of America's strength and her determination to get the job done. And it has given them the message that I have heard from many lips and in many tongues: "Thank you for what you have done."

What they need to join is an appeal. The Marshall Plan has entered into the most difficult and final stages. At this stage, as never before, there must be steadiness of purpose and effort in the partnership among nations on both sides of the Atlantic.

Aware of your deep concern in the maintenance of full work-time employment at home and abroad, I ask American workers to help in carrying on the task of European recovery—to help make good on America's promise. Only as Europe recovers that economic growth be sustained at home. Only as Europe recovers can there be full and final realization of enduring peace which American labor worked and fought to win.

House Bill To Tighten Anti-Trust Laws By Banning Purchase of Firm's Assets

Washington.—The House of Representatives voted a bill designed to check the drift toward greater concentration of economic power in the hands of monopoly interests.

The measure, approved by a vote of 223 to 92, would prohibit large corporations from picking up the assets of smaller competitors.

The Clayton Act, which went on the statute book in 1914, makes the nation's industrial giants from buying up the stock of small competitors. It seems to extend monopoly control, but does not cover the acquisition of assets for the same purpose.

The House bill, which was written over the two-thirds majority required to take it up under a suspension of the rules. A similar measure had been rejected by the Senate Committee in the last 2 Congresses, but had not won floor clearance by the Rules Committee.

Sponsor of the bill, Representative Emanuel Celler of New York and Wright Patman of Texas stressed that 1,200 mergers, when the Clayton Act was passed, large corporations had almost 11 times the combined assets of the next 166 largest corporations.

Of this number, he stated that 70 percent were absorbed by corporations with assets of more than $5,000,000 each.

that organized labor found its own insurance company—which resulted in the organizing and administering of the Union Labor Life Insurance Company by the affiliated national and international unions—no one could have possibly foreseen the remarkable developments having taken place in this field of trade union endeavor.

Organized labor then planned better than could possibly have been conceived, for, today, we have in the Union Labor Life Insurance Company not alone a sound, safe, progressive life insurance company providing insurance protection at low cost to the rank and file members of labor unions for life health, medical, surgical, and hospital care of members—as individuals and as members of trade unions—but it also provides a medium of service to advise and counsel the officers and members of our national, international and local unions and other divisions and subdivisions of organized labor in this important development of worker's welfare plans and funds.

The Union Labor Life Insurance Company has become the consultant of an ever-increasing number of organizations of labor on all problems relating to worker's welfare funds and plans and benefit arrangements. What is more, it is ready and willing to serve all trade unions and their members in like fashion, whether as individuals or as groups.

With that service in mind, it has established a special Worker's Welfare Department to which all trade union organizations may turn for advice and counsel on all matters relating to insurance, welfare funds and benefit plans and without thought of obligation of any kind.

The Union Labor Life Insurance Company, as a mutual life insurance company, is not controlled by any stock interests, public utilities or financial and hospital facilities, and federal interests and as such is entirely controlled by trade unionists. Industrial construction was the only type of work to show an expenditure decrease from June.

All sections of the country shared in the rise over the month with the largest gains reported in the South Atlantic and North Central states, Dodge said.

Compared with July, 1948, contemplated contracts had 70,000 fewer persons at work in mid-July this year. Employment was higher in the South Central and Middle Atlantic states, but all other regions were below the July, 1948, level, with the sharpest drops reported in the Pacific and South Atlantic states.

The value of new construction put in place during July totaled $1,915,000,000, 10 percent above June and 2 percent above July, 1948. New monthly dollar records were established in July for privately financed public utilities, educational and hospital facilities, and federal projects.

AFL Council Calls For Action To Aid Spot Unemployment

House Unit Adds Benefits For Disabled, Credits For GI Service To Security Bill

Washington.—Winding up 28 weeks of work, the House Ways and Means Committee put the finishing touches on a bill to revamp the nation's social security and public assistance programs.

On the eve of reporting the bill to the House, the committee added a new section to provide benefits for needy persons who are permanently and totally disabled.

The group also agreed to extend wage credits to veterans of World War II to cover the time they were in service. The credit would be figured at the rate of $160 a month for service between Sept. 16, 1940, and July 24, 1947.

Other sections of the bill already approved by the committee would lift social security benefits and broaden the coverage of the law by taking in an estimated additional 11,000,000 persons.

Assistance for the disabled would be provided under the same terms as those covered by the old-age and survivors' insurance system. Persons now receiving at least 5 years and could meet certain other requirements for the payments are coverage for 6 of the last 18 quarters before they reach 65 or 40 quarters.

Both benefits and average wage would be computed on the same basis as those for old-age benefits. There is no payments available for the dependents of disabled workers.

The only other major decision, as far as committee members could see, was one to submit the program to the House on a single bill. The program, as originally introduced, was split into two parts, one covering old-age and survivors insurance and the other the new public assistance features.

There was high hope in the group that the program could be passed at the present session, but there was little expectation that the Senate would act on the measure this year.

Senator Walter F. George, Democrat, of Georgia, chairman of the Senate Finance Committee, confirmed the latter view on the Senate floor. He stated flatly that the program could not be considered by his committee this year. And he added that when the committee considered action on some pending veterans' measures, it would end its work for the rest of the session.

A highlight of the public assistance and welfare services section of the new committee bill is extension of state-federal aid to permanently and totally disabled needy persons with the federal government sharing in the costs in the same manner as for old-age assistance.

In a further extension of assistance, the mother, or other adult relative with whom an eligible dependent child is living, would become eligible as a recipient under the bill, thereby relieving the child's guardian, with the federal government contributing.

Federal funds for the public-assistance program would be made available under the following matching formula:

For old-age assistance, aid to the blind and aid to the totally and permanently disabled: Federal share, the first $25 per recipient, plus one-half of the next $25, plus one-third of the next $15, with a maximum of $50 per recipient.

For aid to dependent children—two-thirds of the first $12 per recipient, including one adult in each family, plus one-half of the next $8, plus one-third of the remainder, with maximum on individual assistance payments of $27 for the adult, plus $27 for each child, plus $18 for each additional child.

Backs Truman's Move; Co-op Housing Bill, Public Works

Toronto, Can.—In an optimistic report on America's economic trends, the executive council of the American Federation of Labor urged a public works program to combat sporadic unemployment.

First, the council gave its endorsement to President Truman's directive that government agencies increase their purchases of commodities adversely affected by factory shutdowns and unemployment.

Second, the council called upon Congress to approve the proposition of a "shelf" of public works projects which could be swung into operation promptly in localities needing a stimulus to employment.

Third, the council emphasized the need of prompt congressional action on the pending housing bill which would authorize low-interest government loans to cooperatives and non-profit groups for the construction of moderate-rental apartments according to the nation's housing needs.

At the opening session of its midsummer meeting here, the 4-member council hailed mounting evidence that business is holding up throughout the nation.

AFL President William Green told his press conference that the council generally gratified by reports that unemployment is leveling off and the backlog of orders for manufactured products is increasing. Further, the executive council will participate in the campaign to back the 1950 congressional election campaign through the medium of Labor's League for Political Education, the labor federation's political arm.

Labor; formulate AFL's policies on the international labor front in connection with the forthcoming establishment of the International Confederation of free trade union centers, and draft its annual report to the AFL 69th convention at St. Paul, Minn.

Because of the press of work, the council voted to hold regular meetings from an attempt to wind up the meeting within one week.

The task of the department issued to the council on economic conditions followed.

"The executive council is gratified that conditions generally indicate that business activity is increasing and that the country is feeling well.

"We wish to reiterate at this time that there is no occasion for any economic depression in the United States. We are entitled to a good deal of the 'recession' talk which now current and for which there is no substantial propaganda campaign designed to talk the country into a depression.

"While unemployment has increased by about 1,000,000 and according to government estimates, employment is still near the high of 1948, there are good and serious dislocations have occurred in certain industries and areas in the last few industries. As a whole business conditions are good and showing improvement.

"Nevertheless, when unemployment reaches 4,000,000 and when 'help wanted' ads fall to 1,000,000 and more, then we are in for trouble.

"Furthermore, the executive council feels that there is no reason to wait before adjustment pending legislation to encourage the construction of moderate rental apartments for families just above the low-income level of this legislation, which would involve no government subsidy, but would authorize low-interest loans to cooperatives and non-profit groups to build apartments, is badly needed to stimulate a sane and new construction activity in this field would serve as a stimulus to all of industry."

81,356 UNION OFFICERS FILED NON-RED OATHS

Washington.—The National Labor Relations Board reported that 81,356 officers of labor unions and affiliates have filed non-Communist affidavits in the 4 months since the deadline of the previous month.

The latest compilation on NLRB progress raises the number of affidavits filed by 1,000 since the deadline of August 1, 1948.

Filing of these affidavits brought 186 national unions and 3,728 locals into full compliance with the anti-Communist and financial report requirements of the Labor-Management Relations Act as of August 1, 1949.

The affidavits and financial reports must be filed annually for a union to be eligible to use the facilities of the board either to file an unfair labor practice charge or to obtain the board's services in conducting elections.

Chicago Garment Industry Back On Full Production

By DAN A. SMYSER
Chicago Correspondent for AFL News Service

Chicago.—The Chicago garment industry, one of the first to feel the so-called "recession," is running full blast again, after a short-lived panic, according to Sidney Hillman, business manager and financial treasurer of the Chicago Joint Board of the AFL's International Ladies Garment Workers Union.

A few weeks ago, about 1,000 of the 7,000 members of local unions represented by the joint board were working only 3 days a week. Now they are all employed, and the union could place a few more good machine operators.

The garment industry is more responsive to current events, and is more nervous and sensitive, than the "hard goods" industries. It is fickle and mobile. Any good dressmaker who owns a sewing machine and a pair of shears can start up his own factory if the normal channels fail to supply the market.

"A lot of the slump was psychological," said Bialis. "I was in Europe in January and February, and I saw what was happening over there. I didn't recognize the garment industry. Manufacturers were running around like chickens with their heads cut off.

After the wartime shortages eased off, garment makers were among the first to fill up their lines of goods and indulge themselves in panic started when mills cut the price of material. Garment makers bought heavily before the mills could put the price cuts into effect and into the market.

"I called a meeting of the large manufacturers and told them there was nothing to worry about," said Bialis. "But the worry persisted. Employers began to cancel orders, not because they were overstocked but because they were afraid they would lose if they kept running."

Then the prices of the finished goods began to come down.

Smaller contractors caught up the business relinquished by the closed down factories. They are behind in filling orders for the cheaper material, and garment makers who were too hesitant in the spring are now told they should have put in their orders.

"You know, people are always trying to start up rudist colonies in the south and west, but they always come back to Chicago. It's convenience," said Bialis, reflectively. "You can't shut down a dress factory as you can shut down an auto factory, and expect to find the market better when you start up again. There's always the 'new look,' and you've got to be before the 'new look' or you're out of luck for another 'new look.'"

Business still is not at the peak of postwar activity, but at least has returned to about the normalcy of prewar conditions, he said.

"And everybody is smiling again."

Jobs In Building Industry Up By 71,000; Value of New Construction Tops 1948

Washington.—Construction employment totaled 2,149,000 in mid-July, scoring a 71,000 increase from mid-June, according to preliminary estimates of the Bureau of Labor Statistics.

The value of new construction put in place during July totaled $1,915,000,000, 10 percent above June and 2 percent above July, 1948. New monthly dollar records were established in July for privately financed public utilities, educational and hospital facilities, and federal projects.

Dodge reported that $750,000,000 on new nonfarm housing in July, a full $100,000,000 more than June. The most important June-July gain was in public housing, with $23,000,000 rise on highway work.

So far in 1949, new construction expenditures, totaling $10,300,000,000, have surpassed last year's 7-month total by 3 percent. Privately financed, at $7,600,000,000, was 3 percent under last year's January-July total, but public construction, at $2,800,000,000, scored a 33 percent gain. Almost a third of public money expended for new construction during the first 7 months of 1949 went for nonresidential building, principally hospitals and schools.

The A. F. of L. Weekly News Service gives news economic and editorial interpretations of matters affecting labor concerning in the industrial, legislative, and political fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

SUPPLEMENT

WILLIAM GREEN, *President* — WASHINGTON, D. C., FRIDAY, AUGUST 19, 1949 — GEORGE MEANY, *Secretary-Treasurer*

Write Your Senators And Congressmen to Repeal T-H Law

LABOR DAY MESSAGE

The following statement by the President must be held in confidence until released. Release is for all regular editions of newspapers, Thursday, September 1, and thereafter. The same release applies to radio commentators and news broadcasters.

PLEASE GUARD AGAINST PREMATURE PUBLICATION

By HARRY S. TRUMAN
President of the United States

This is the fifth year in which it has been my privilege to call upon the American people to observe Labor Day—a day dedicated to the workers who have helped so much in the advance of our country to the position of responsibility and opportunity it occupies in the world today.

The American worker enjoys an economic, political and social status solidly established on democratic principles and unequaled elsewhere in the world. From time to time labor has suffered setbacks, but on each occasion its essential strength has asserted itself and progress has been resumed. And as labor has progressed, so has the nation.

Labor Day, however, is more than a holiday for celebrating the achievements of the worker and extolling his contribution to the forward march of our economy. This year, more than ever, it is a time for a sober evaluation of the problems that labor, together with all other groups in our country, faces in our complex world, and of our mutual responsibility in meeting them.

Labor has become a full partner in our economy. The machinery for weighing labor's needs and for adjusting the problems of labor-management relations is being developed and improved through the cooperation of employers and employes. But today labor must also be a full partner in all our undertakings, not only within our borders but beyond the seas; for in the long run our actions in the field of foreign policy will affect the welfare of every man, woman and child. It is a source of pride that statesmen in the ranks of labor are alert to their responsibility in this field and are making a vital contribution to our foreign policy programs.

I am confident that labor will give the same devotion to the attainment of our common objectives at home and abroad that it has long demonstrated in the battle for better working conditions, adequate wages and a higher standard of security for workers and their families.

Labor Dept. Gets Employment Service As Senate Votes Reorganization Plan

Washington.—The United States Employment Service, kicked around like a football for years, has finally been booted back to the Labor Department.

This was accomplished when the Senate upheld President Truman's proposal to transfer the agency, together with the Unemployment Insurance Service, from the Federal Security Agency to the Labor Department.

The move, long supported by the American Federation of Labor, came under consideration as a victory for the Administration after its earlier defeat in the House to create a new Department of Public Welfare. The all-out bipartisan opposition of reactionary Republicans and Southern Democrats killed the proposed reorganization plan by a vote of 60 to 32.

Secretary of Labor Maurice J. Tobin, hailing the transfer of the new functions to his department, declared the action was "a great step forward in bringing about greater efficiency in government and in the operation of the nation's economy." He said that there would be no delay in the return to the department other labor functions in a program to rebuild the agency "to its greatest usefulness."

The Administration triumph, scored on a 57-32 vote, meant that 6 of the 7 reorganization proposals submitted by President Truman in line with recommendations of the Commission on Organization of the Executive Branch of the Government, headed by former President Herbert Hoover, would go into effect. These included:

Transfer of the Bureau of Public Roads to the Department of Commerce.

Reorganization of the Post Office Department, with the authority vested in the Postmaster General and greater assistance provided for him.

Transfer of the National Security Council Staff and the National Security Resources Board to the Executive Office of the President.

Make the chairman of the Civil Service Commission the executive officer of the commission.

Make the chairman of the Maritime Commission the chief executive and administrative officer of the commission.

The measure to put the Bureau of Employment Security and affiliated agencies, as well as the Federal Advisory Council and functions of the Veterans Placement Service Board, into the Labor Department had the support of Senator Ralph E. Flanders of Minnesota. Its chief opponent was Senator Irving Ives of New York.

Truman Assails Congress For Rent Decontrol Action

Washington.—President Truman placed the blame on Congress for the proposed lifting of rent controls in one-third of the areas in the nation now under rent ceilings.

The Chief Executive declared that a deep cut in appropriations for the Office of the Housing Expediter necessitated by the slash in funds announced by Tighe E. Woods, OHE head.

Mr. Woods said that cases to be decontrolled before the end of the month would be those in which the population is under 100,000. A total of about 4,500,000 rental units will be affected, he said.

Another effect of the slash in funds from $26,000,000 to $17,000,000 is the forced reduction of OHE personnel from 8,500 to about 3,500. This will mean further curtailment of activities and many tenants and landlords wait for months while cases are processed in understaffed regional offices or referred to Washington.

Siding with the President in his views, Senator Paul H. Douglas, of Illinois, declared that the situation brought about by the reduction of funds was an attempt by "reactionary Republicans" and "Southern Dixiecrats" to cripple rent controls.

The Senator said that Congress, in the Rent Control Act this year, "heaped" additional duties on the Housing Expediter without providing to furnish help to landlords in filling out forms, and by giving him the power to prosecute violations and to protect tenants against improper evictions.

Mr. Douglas declared that the coalition which "unfortunately dominates" the Congress, having failed to "put" rent controls when the legislation was before Congress, had now "stabbed" it in the back.

The Senator said that if he were in charge of the slash in appropriation groups, primarily in the House were trying to reverse a public policy previously approved by both Houses of Congress.

He said that the "savage cut" in appropriations would compel a closing down of many offices and that in the remaining offices a "big increase" in rent in those areas from which the enforcement personnel would be withdrawn.

"We cannot protect tenants by remote control," Senator Douglas added.

Plight of Workers Between 45 and 64 Poses New Grave Problem For Nation

By DAN SMYTH
Chicago Correspondent for AFL News Service

Chicago.—Workers 45 to 64 will become a more serious problem to the American economy than those 65 and over, according to Ewan Clague, commissioner of labor statistics in the U. S. Labor Department.

In an address to the Institute on Problems of Old Age at the University of Chicago, Clague said that employers and unions making excellent progress with pension plans for workers over the 65 must also pay attention to the worker who has passed middle age but hasn't yet reached retirement age.

"People over 65 constitute a retirement problem, Clague said, which will give the nation no concern that is boldly tackled. But the truly old are only a small proportion of our population, about one in 13 persons.

"Of an entirely different nature and dimension is the problem of the mature workers in our society," he went on, "the large group of men between age 45 to 64 who will constitute an employment problem, not of retirement.

"It is this group which will constitute, in a few years, an emerging long-time problem of unemployment which will give the nation plenty of trouble, even in times of prosperity and high production."

The period of decline sets in at various times for different occupations, he said. For executives it is at a younger age than for college professors. But between the two only could not carry the burden of supporting workers if all were retired when they begin to slide.

"The unions have tackled this problem through the use of seniority," Clague said. "They have protected the older worker on the job by insisting on seniority rights.

"Seniority is a useful device, though crude and inflexible, but it does not take account of declining productive capacity with old age.

"Some unions have gone further, and through collective bargaining agreements have provided for shifts of older workers to jobs of lighter responsibility and lesser earnings in exchange for continued employment. Of course this has not been very large in volume, but it points the way toward a practical study of this problem.

"Some unions have management and union tend to gravitate toward the solution by helping to lessen new cases. Adult education should be further developed in the schools.

Clague suggested retraining allowances for workers in their forties and fifties to help them find new employabilities. If a man's family could be supported while he was on the job and learned a new trade, the investment might pay off in a greater work life, useful and continued employment.

RETAIL CLERKS WINNING NUMBER OF ELECTIONS

Lafayette, Ind.—Evidence that the Retail Clerks International Association, AFL, is aggressively pursuing its announced organizing drive was pointed out by James A. Suffridge, secretary-treasurer. He cited the fact that during July the International Association was on the ballot in 27 board-supervised elections. Of the 27, 22 were won, 4 were lost and 1 ended in a tie.

Since May 1, when the organizing campaign began, the association has been on the ballot in 80 elections, 62 of them for union recognition and the remainder seeking union shop authorization. A total of 75 percent of the 80 ended in victories for the AFL Retail Clerks.

LLPE To Ask $2 Contributions For 1950 Election Campaigns

As We See It

The following is excerpted from interviews by Philip Pearl, director of publicity for the AFL, with AFL President William Green and Joseph D. Keenan, director of Labor's League for National Education, on the AFL's radio program, "As We See It," broadcast over the American Broadcasting System.

By WILLIAM GREEN
President, American Federation of Labor

Unemployment is always serious to the individuals who lose their jobs and to their families. But from a national basis, it has not reached dangerous proportions, nor is it likely to do so. The unemployment totals have now gone over the 4 million mark, the highest figure since pre-war days. But there are two other very important considerations to take into account.

First, unemployment is largely confined to a few areas or industries and is very few localities. It is spotty rather than general. Secondly, the number of people employed in America is still near the 60 million level, which is far above pre-war times. Finally, the latest reports we get show that unemployment has reached its peak and that the trend is now downward.

There is a great deal of concrete evidence piling up to justify optimism. For instance, building construction throughout the nation is enjoying the greatest boom in history and that makes business for many different lines of factories. Also, Congress has just approved another large appropriation for the European Recovery Program, and that means a flood of new orders for exports. Aside from this, retail stores which have allowed their inventories to shrink to a low level by the end of the Fall and Winter buying season in large volume and as a result, manufacturing trades are accumulating substantial backlogs of new orders.

Despite these favorable signs, it is never safe to gamble with the well being and security of our people. Action is necessary to reduce unemployment promptly where it exists and to guard against any future emergency. The Executive Council adopted a three-point program of action along those lines.

First, we voted full support and endorsement to President Truman's directive to government agencies to concentrate and pinpoint federal purchases in communities suffering from factory closings and unemployment.

Second, we urged Congress to authorize the preparation of a shelf of necessary public projects which could be put into operation promptly wherever unemployment dares up.

Finally, we called upon Congress to approve pending legislation permitting the government to provide low-interest loans to cooperatives and other non-profit groups for the construction of moderate-rental apartment units for workers of average and other citizens in the middle-income groups, where need new housing badly but can't afford high rents.

To put it bluntly, I feel that a great deal of the recent "recession" talk was a deliberate propaganda campaign undertaken by big business for the purpose of discouraging further wage increases. But organized labor has not been fooled!

Labor is now continuing to seek moderate wage increases wherever they are justified. And I want to emphasize right here that it is very necessary and important for our national economy to continue to lift our standard of living. When you get right down to basic facts, the only dependable, easy market for the products of American factories and farms is the purchasing power of the working population of our country. Full employment at high wages means prosperity for all. But when employment and wages shrink, purchasing power also dries up and our whole economy is endangered.

Soviet Russia is just waiting for that to happen as a signal to move. For the sake of world peace and the preservation of human freedom, we must never allow that to come about. The American Federation of Labor is determined to do everything in its power to prevent a depression and all the calamity it would bring with it.

In our struggle it is tragic that we are handicapped by the Taft-Hartley Act, which makes it impossible for trade unions to function effectively. Today free trade unions are the most effective defense the world has against the spread and conquest of American factories and farms is the purchasing power of the working population of our country. Full employment at high wages means prosperity for all. But when employment and wages shrink purchasing power also dries up and our whole economy is endangered.

Soviet Russia is just waiting for that to happen as a signal to move. For the sake of world peace and the preservation of human freedom, we must never allow that to come about. The American Federation of Labor is determined to do everything in its power to prevent a depression and all the calamity it would bring with it.

In our struggle it is tragic that we are handicapped by the Taft-Hartley Act, which makes it impossible for trade unions to function effectively. Today free trade unions are the most effective defense the world has against the spread and conquest of Communism, far more effective, in my opinion, than the atom bomb. But big business was so shortsighted as to weaken that defense by prevailing upon Congress to adopt the Taft-Hartley Act. Thus far we have failed in having about repeal of that law. But we are going to redouble our efforts in next year's political campaign to elect a Congress which will repeal the Taft-Hartley Act. That will be organized labor's Number One objective in the coming year.

By JOSEPH D. KEENAN
Director, Labor's League for Political Education

The Taft-Hartley Act prohibits the expenditure of funds from union treasuries in connection with national election campaigns, so the American labor movement has organized to form a separate organization, Labor's League for Political Education, in order to protect the fundamental democratic rights of the people, through the effective operation of the election of the people who run our government.

The trade unions must oppose than the repeal of that legislation. We want to elect representatives of the people who will faithfully carry out the will of the people, instead of serving as the tool of the big-money interests.

I think the record of the last 5 consecutive presidential elections shows that the voters of America want a government with a heart, a government with a desire to improve their welfare, a government which is ready and willing to help improve the standard of living of life. However, the record of the past few years also shows that a coalition of reactionaries from both political parties, reactionaries who believe in a dwindling economy, who consider every human welfare program as a step toward statism, have been able to maneuver themselves into a position to prevent the people from approve to the American people that the members of Congress who oppose progressive, liberal, humane, social welfare legislation, who oppose planning program, who oppose a decent minimum wage and who are against every worthwhile program in the very same crowd that voted to handcuff labor with the Taft-Hartley Act.

12 French Trade Unionists Here to Study U.S. Methods

Washington.—Twelve French trade unionists are among the group of 17 representatives of France's heavy electrical equipment industry which arrived here for a two-month visit. The group is the first from France to come to the United States under the Economic Cooperation Administration's labor-management exchange project to study productivity methods here.

The French delegation was met by ECA officials and representatives of the French Embassy, after which it proceeded to Philadelphia. A 2-week orientation period is scheduled for factory visits, briefings, conferences, industrial motion pictures, etc. This program will be supervised by plant visits. Bert M. Jewell and Clinton S. Golden, ECA labor advisers, will address the group during the seminar.

Labor and management will be fully represented in the men during advance planning for the trip. Opportunity will be afforded for them to meet their counterparts in the rank and file during their stay. They will study trade union organization and methods, collective bargaining and grievance procedures, apprenticeship training, etc. In addition they will observe apprentice training methods, safety programs, welfare and health programs in plants.

Four of the union men are members of Force Ouvriere, the most recently formed of the French labor federations. They are: Pierre Bonde, Maurice Chagnet, Marcel Collet and Jean Prunet.

The remaining 4 labor men are members of the Confederation Francaise des Travailleurs Chretiens. They are: Pierre Bonde, Andree Guldemann, Henri Larrieu and Robert Pernod.

Leader of the team will be Henri Noel of the Association of Heavy Electrical Industries in France. Andre Foss, who will represent the French Productivity Committee, will act as secretary.

Other members of the team are Marcel Depolly, Richard de la Harpe and Eugene Marcel.

The cost of the project will be borne jointly by ECA and the French government.

$1,000,000 Fund Goal; Executive Council Ends Session

Toronto, Canada.—Labor's League for Political Education, the AFL's political arm, adopted a program designed to end the threat of defeat unfriendly candidates and to steal Labor's friends in the 1950 general elections.

This was the highlight of the final sessions of the regular mid-summer meeting of the AFL's Executive Council which completed work on its report to be submitted to the AFL convention in St. Paul, Minn., on October 3.

The administrative committee of LLPE approved plans for soliciting the voluntary contributions from AFL members and for establishing a strong organized labor to finance its election campaign activities.

Joseph D. Keenan, LLPE director, said the league hoped to raise at least $1,000,000 through the voluntary contributions.

The action of the committee approved recommendations to call a political conference held in Washington this summer at which representatives from state and city affiliates of LLPE and Labor's Non-Partisan League considered general strategy to be followed by LLPE.

In other action, the council decided to send a delegation to London for the meeting, on November 28, of the constituent assembly of the new international federation of free trade unions. The delegation, composed of 9 delegates and 4 alternates, will be named.

It is expected that democratic, free trade union centers from 50 nations will send representatives to the conference to complete the organization of the new labor federation to take the place of the near-defunct, Soviet-dominated World Federation of Trade Unions.

Commenting on the meeting, AFL President William Green told a press conference that formation of the new free labor group will be the "most effective barrier against further Soviet aggression." He said that free trade unions, organized in a worldwide unit, could foil the Russian strategy of extending its sway over smaller nations by taking over the labor movements within those countries.

Mr. Green said that the new organization is started right after a national union centers which could demonstrate that they were free of government domination or interference.

In another action, the Executive Council voted to purchase time on a nationwide broadcast to present an AFL news program. The broadcast will be a weekly event and will give AFL members and the general public an opportunity to hear labor's views on news events and current issues presented by well-known commentators. The program will be heard starting next week. The AFL will sponsor the program for 3 months with the remaining broadcast periods offered by Labor's League for Political Education.

Turning to the political front, the Council declared that the issues in the 1950 election race for Senate seats, which will be decided mainly on Senator Robert A. Taft of Ohio, who helped ram the notorious Taft-Hartley law. Other chief targets would be Senators Joseph R. McCarthy, Capehart of Indiana and Milliken of Colorado.

Mr. Green announced that the Executive Council "unanimously rejected" with the efforts made by the Communists to infiltrate Congress to clean the Communists out of that organization. He said that the report on this situation presented by the Anti-Communist element within the TLC.

JOBS FOR WOMEN HUNTED BY DEPARTMENT OF LABOR

Washington.—The Women's Bureau of Labor Department said it was making a field survey in 10 cities to determine the amount of parttime employment for women.

Its agents have visited Richmond, Va., and are now in San Francisco. The employment situation also will be studied in Syracuse, N. Y., New York, Worcester, Mass., Dallas, Tex., Milwaukee, Wis., Kansas City, Mo., Des Moines, Iowa and Denver.

Information will be made available to vocational counselors, college personnel officers and various women's organizations.

Giant Telephone Monopoly Seeks Union's Destruction

By ARNOLD BEICHMAN
New York Correspondent for AFL News Service

New York.—The biggest, privately-owned industrial corporation in the world, American Telephone and Telegraph Co., has taken upon itself the job of subverting a group of workers, employed by a subsidiary, rather than negotiate, arbitrate or compromise.

That union involved is the International Brotherhood of Electrical Workers which represents 650 employes of the Holmes Electric Protective Co., an AT&T subsidiary which because of the nature of telephone lines has a monopoly on central burglar alarm protection in this richest city of the world.

The story of AT&T, a monopoly gargantua which has never so much as been touched by the anti-trust laws, vs. the Holmes employes begins 4 years ago when they joined Local 2.

It was never a particularly friendly relationship, but with the onset of the Taft-Hartley plague, AT&T began to act up. Although the contract was to expire July 1, negotiations for a new agreement were begun mid-May. A list of 18 demands were soon pared to a dozen and when the company refused even to discuss them, the union, seeking to avoid a strike, cut them down to three:

1. A union shop.

2. A $5-a-week increase for employes earning an average of $35 a week.

3. Modification of the company pension plan so that the employes could have some voice in the plan.

The company still said no and finally the union asked the company to arbitrate its wage demands and union shop.

Meanwhile, the city's Labor Relations Division intervened to see if the dispute, which in case of a strike would throw a special burden on the city's undermanned police department, could be settled peacefully.

At this point the company introduced a new line into the anatted negotiations. Its spokesmen said that, despite a previous vote of the 650 Holmes Co. workers empowering a committee to call a strike, if a secret ballot were taken the company's offer would be accepted and the strike power withdrawn.

The so-called offer of the AT&T subsidiary, which in one year earned a 6OS net return on its investment, was as follows: 1. No union shop. 2. A $5-a-week increase for employes earning an average of $35 a week.

3. Modification of the company pension plan so that the employes could have some voice in the plan.

The company still said no and finally the union asked the company to arbitrate its wage demands and union shop.

Meanwhile, the city's Labor Relations Division intervened to see if the dispute, which in case of a strike would throw a special burden on the city's undermanned police department, could be settled peacefully.

At this point the company introduced a new line into the anatted negotiations. Its spokesmen said that, despite a previous vote of the 650 Holmes Co. workers empowering a committee to call a strike, if a secret ballot were taken the company's offer would be accepted and the strike power withdrawn.

The so-called offer of the AT&T subsidiary, which in one year earned a 60S net return on its investment, was as follows: 1. No union shop. 2. An increase to 135 employes and an average of $2 to 26 more. The remaining 190 workers would get nothing.

Still desirous of avoiding a strike, the union agreed to a secret ballot to be supervised by the city. But there was no fair play. The city reject the company's offer and to confirm the original strike vote.

This overwhelmingly AT&T controlled board was established. At the twelfth hour, with the strike ready to be called, Mayor O'Dwyer announced appointment of a conciliation board consisting of a single commissioner, Arthur Wallander, to investigate the dispute and make recommendations.

At this point it became even more glaringly obvious that the Holmes Co. negotiations, characterized as stubborn by the AT&T and by the union, were under orders to make no further proposals except one —extend the contract as it was. There was no more contact with them on Monday afternoon, Aug. 15, the Holmes workers went out on strike.

These were the guards, the investigators, the telephone and burglar mechanics, all of whom are part of an intricate network of protectors of some 17,000 grocers, butchers, banks and other business establishments. The company operates in conjunction with the city's police department, some of its electrical devices being linked directly with police department offices.

And as one final touch, the Taft-Hartley plague has been supplied the Holmes Co. with strikebreakers. Sixty senior guards, senior in years of service, yet after a decade or more of employ in the company earning $70 a week, were forced to drop out of their union because of the law's provisions, since the International Brotherhood is being affiliated with a bona fide union. These 60 men and top echelon company executives will seek to carry on during the course of the strike.

VETS WARNED AGAINST FAKE REFUND BLANKS

Washington.—Veterans were warned that swindlers were peddling bogus application blanks to veterans for filing claims for refunds on National Service Life Insurance.

The Veterans Administration said that the blanks, which are reported being sold for 50 cents to $1 each, would not be accepted when a $2,800,000,000 dividend was divided among 18,000,000 World War II veterans beginning next January.

Officials said that the peddlers persuaded veterans to buy the false blanks by telling them they would receive their refund checks first if they got their applications in early. There is no validity to the assertion, the officials said.

The applications will be processed in a group when they are all received.

The agency said that its genuine application forms would be available at VA post offices, VA regional and at veterans' organizations. They will be free.

HOOVER, 75, SAYS U. S. IS NEAR COLLECTIVISM

Palo Alto, Calif.—Age cannot wither nor custom stale the infinite sameness of Hooverism.

On his 75th birthday, the former President, now regarded by Wall Street as an elder statesman, delivered a speech in which he said America is now "on the last mile" toward collectivism.

No, it's not news; it's just Hoover again.